Labour Market Bulletin

Newfoundland and Labrador

August 2018

This Labour Market Bulletin is a report providing an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central Bonavista Bay and South Coast—Burin Peninsula.

OVERVIEW

The unemployment rate of 14.4% in August was lower than in July, as employment increased while the size of the labour force declined. Compared to the previous month, the number of full-time jobs grew while part-time employment declined. On a year-over-year basis, the unemployment rate was nearly a percentage point lower, as employment grew faster than the size of the labour force. However, part-time employment growth has been the source of this gain; as full-time employment was lower than August of 2017.

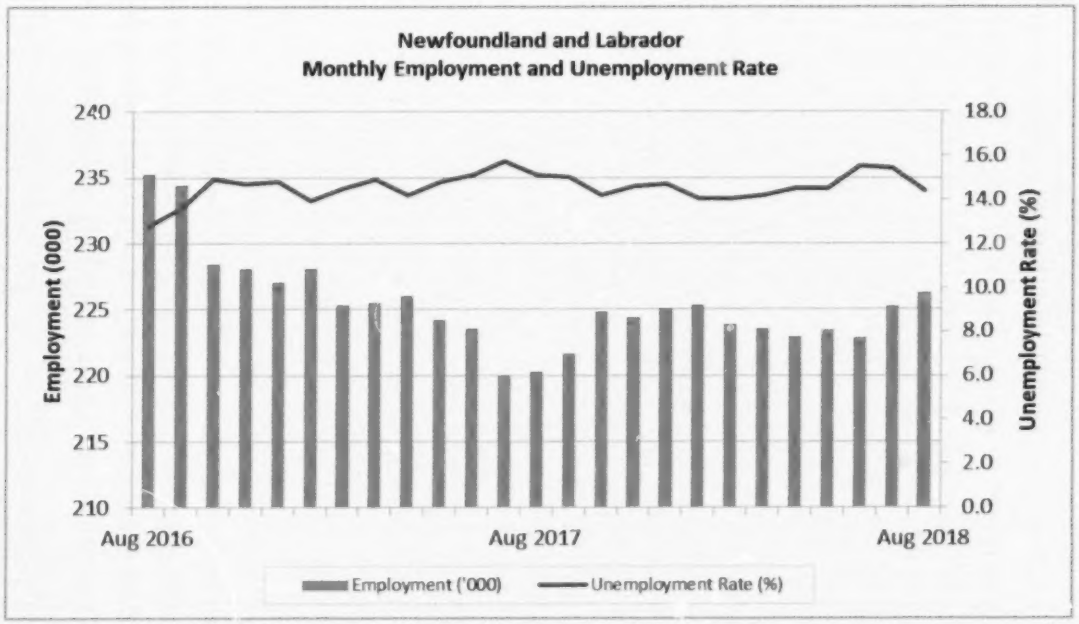
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2018	July 2018	Aug 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	443.2	443.5	445.8	-0.3	-0.1	-2.6	-0.6
Labour Force ('000)	264.4	266.1	259.4	-1.7	-0.6	5.0	1.9
Employment ('000)	226.3	225.2	220.3	1.1	0.5	6.0	2.7
Full-Time ('000)	186.4	185.0	189.8	1.4	0.8	-3.4	-1.8
Part-Time ('000)	39.9	40.3	30.4	-0.4	-1.0	9.5	31.3
Unemployment ('000)	38.1	40.9	39.1	-2.8	-6.8	-1.0	-2.6
Unemployment Rate (%)	14.4	15.4	15.1	-1.0	-	-0.7	-
Participation Rate (%)	59.7	60.0	58.2	-0.3	-	1.5	-
Employment Rate (%)	51.1	50.8	49.4	0.3	-	1.7	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

A sustained decline in employment from the spring of 2016 to the summer of 2017 had brought the unemployment rate to a seven-year high of 15.7% in July 2017. Starting in October of last year, however, the unemployment rate remained around 14% as the decline in employment was matched by a similar reduction in the size of the labour force. Nevertheless, strong labour force growth in recent months pushed the unemployment rate above 15%, but job growth in August brought the rate back down closer to results observed through most of 2018. The unemployment rate remains notably elevated compared to its 2013 and 2014 levels of below 12%.



The youth (aged 15 to 24 years) unemployment rate has declined each month since May, as employment grew over this period while the size of the labour force declined slightly. Of note, part-time employment gains have outweighed full-time losses.

Among males 25 years and older, the unemployment rate decreased from the previous month as employment grew. In recent months, the number of jobs as well as the size of the labour force have both generally moved higher. In addition, most of this job growth has been full-time in nature. Most of the employment growth over the past year can be attributed to this group.

For women 25 years and older, the unemployment rate in August declined, with a slightly lower rate than a year ago. Employment levels and labour force size have both increased over the past year, though the gains have been quite modest. In addition, while overall employment for women 25 years and older has been relatively stable from a year ago, full-time employment has declined and part-time work has increased.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2018	July 2018	Aug 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	14.4	15.4	15.1	-1.0	-0.7
25 years and over	14.2	15.1	14.8	-0.9	-0.6
Men - 25 years and over	16.7	17.6	17.7	-0.9	-1.0
Women - 25 years and over	11.4	12.5	11.6	-1.1	-0.2
15 to 24 years	16.3	17.1	16.9	-0.8	-0.6
Men - 15 to 24 years	20.8	20.5	21.9	0.3	-1.1
Women - 15 to 24 years	11.4	13.4	11.5	-2.0	-0.1

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

EMPLOYMENT BY INDUSTRY

Compared to July, most of the province's employment increase has been in the **Services-producing sector**. This has also been the case when comparing employment levels to a year ago. Compared to July employment levels, the largest industry gain was in **Public administration**. This industry also showed the strongest increase in jobs from a year ago. Employment in **Wholesale and retail trade** increased slightly in August; an exception for an industry where the number of jobs has decreased over the past year. Compared to August of 2017, the industry has lost 3,600 jobs. A downturn in the province's economy has been the main factor behind this industry's decline. **Finance, insurance, real estate and leasing** experienced a considerable employment loss through the middle of 2017. However, a significant rebound has taken place since that time, with employment increasing by nearly 40% over the past year. Most industries in the **Services-producing sector** have reported gains from a year ago.

The **Goods-producing sector** had a slight employment gain from the month before. A number of small gains throughout the sector outweighed a loss in **Construction**, which reached its lowest employment level in seven years. Despite the addition of 300 jobs in **Manufacturing**, employment in this industry was the sixth-lowest on record. Employment in food manufacturing continues to be relatively subdued, given some of the negative pressures impacting the industry, including quota cuts for crab and shrimp.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Aug 2018	July 2018	Aug 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	226.3	225.2	220.3	1.1	0.5	6.0	2.7
Goods-producing sector	44.5	44.3	46.2	0.2	0.5	-1.7	-3.7
Agriculture	1.4	1.1	1.9	0.3	27.3	-0.5	-26.3
Forestry, fishing, mining, quarrying, oil and gas	12.7	12.4	11.3	0.3	2.4	1.4	12.4
Utilities	3.0	2.9	3.0	0.1	3.4	0.0	0.0
Construction	18.8	19.5	21.1	-0.7	-3.6	-2.3	-10.9
Manufacturing	8.6	8.3	8.9	0.3	3.6	-0.3	-3.4
Services-producing sector	181.8	181.0	174.1	0.8	0.4	7.7	4.4
Trade	37.0	36.4	40.6	0.6	1.6	-3.6	-8.9
Transportation and warehousing	12.1	12.7	11.7	-0.6	-4.7	0.4	3.4
Finance, insurance, real estate and leasing	8.0	8.0	5.8	0.0	0.0	2.2	37.9
Professional, scientific and technical services	10.1	10.1	9.3	0.0	0.0	0.8	8.6
Business, building and other support services	6.2	5.6	7.5	0.6	10.7	-1.3	-17.3
Educational services	17.5	17.3	15.9	0.2	1.2	1.6	10.1
Health care and social assistance	39.4	40.2	38.7	-0.8	-2.0	0.7	1.8
Information, culture and recreation	7.7	7.7	6.0	0.0	0.0	1.7	28.3
Accommodation and food services	16.0	16.3	14.5	-0.3	-1.8	1.5	10.3
Other services	9.7	9.9	10.1	-0.2	-2.0	-0.4	-4.0
Public administration	18.1	16.9	14.0	1.2	7.1	4.1	29.3

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355

REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** increased by 1.3 percentage points since August of 2017, as the size of the labour force increased faster than employment. The employment increase was spread among various industries. These included **Professional, Scientific and Technical Services,** as well as **Finance, insurance, real estate and leasing**. Both of these industries have rebounded considerably in recent months. **Wholesale and retail trade**, and **Forestry, fishing, mining, quarrying and oil and gas** reported the largest declines. While there was a rise in employment over the past year, this economic region had 8,200 fewer jobs in August compared to two years ago. Most of this loss since 2016 has been in **Wholesale and retail trade.**

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region's unemployment rate was lower in August compared to twelve months earlier. Employment increased for the tenth month in a row. However, this growth has been weakening recently. Most industries reported a gain in August, with **Accommodation and food services** experiencing the strongest growth. However, **Construction** and **Wholesale and retail trade** both lost jobs for the fourth consecutive month. Losses have been getting deeper as well. **Construction** employment in August was nearly 30% lower than a year ago.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate declined to 14.5%. The lower rate was due to a small increase in employment. Both the Goods-producing and Services-producing sectors showed little change overall due to mixed results among their respective industries. Extended and notable losses have occurred in **Wholesale and retail trade** as well as **Professional, scientific and technical services**. **Construction** lost jobs for the fourth month in a row. However, **Educational services** and **Public administration** have both reported healthy gains for prolonged periods.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Aug 2018 ('000)	Aug 2017 ('000)	Yearly Variation (%)	Aug 2018 (%)	Aug 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	235.6	232.4	1.4	13.2	13.4	-0.2
Economic Regions						
Avalon Peninsula	135.3	133.1	1.7	11.5	10.2	1.3
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	54.4	53.6	1.5	16.2	19.3	-3.1
West Coast-Northern Peninsula-Labrador	45.9	45.7	0.4	14.5	14.9	-0.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293

***Note:** In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

***Prepared by**: Labour Market Analysis Directorate, Service Canada, Atlantic Region*
***For further information**, please contact the LMI team at:*
http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi
***For information on the Labour Force Survey**, please visit the Statistics Canada Web site at: www.statcan.gc.ca*

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